

Message Text

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12

ACTION NEA-10

INFO OCT-01 ISO-00 EB-07 CIAE-00 INR-07 NSAE-00 /025 W

----- 103069

R 290810Z MAY 75

FM AMEMBASSY KUWAIT

TO USDOC WASHDC

SECSTATE WASHDC 3062

INFO AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMEMBASSY DOHA

AMEMBASSY JIDDA

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY TEHRAN

USINT BAGHDAD

UNCLAS KUWAIT 2261

E.O. 11652: N/A

TAGS: ENRG, BMEP, ECRE, KU

SUBJECT: US AND WEST GERMAN COMPANY MAKE ADDITIONAL LPG EQUIPMENT
SALES

REF: A) KUWAIT 1966 B) KUWAIT 1842

1. GOK HAS AWARDED \$10 MILLION OF ULTIMATE \$70-80 MILLION COMPRESSOR AND DRIVER CONTRACTS TO WORTHINGTON TURBODYNE AND DEMAG. THIS EQUIPMENT IS FOR LPG PROCESSING STATION AND STILL LEAVES PENDING DECISIONS ON AWARDS OF EQUIPMENT CONTRACTS FOR BOOSTER AND GATHERING STATIONS FOR PROJECT. WORTHINGTON TURBODYNE, WHICH CLAIM TO BE SELLING ALL US MANUFACTURED EQUIPMENT, HAS CONTRACT FOR STEAM TURBINES VALUED AT APPROX. \$4.5 MILLION. DEMAG SOLD LARGE (ABOUT 42,000 HP) COMPRESSORS VALUED AT \$5.5 MILLION. DEMAG MANAGED TO WIN CONTRACT BY SUBMITTING REVISED ELEVENTH HOUR BID WHICH LOWER THAN PREVIOUS LOW BID OF US DRESSER/CLARKE. DRESSER/CLARKE WAS GIVEN OPPORTUNITY TO REVISE THEIR BID BUT ONE OF THEIR REPS CLAIMS THEY FALL SHORT BY ABOUT KD42,000 (KD 1 EQUALS \$3.38).

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2. DECISIONS ON OTHER COMPRESSORS AND DRIVERS SHOULD BE MADE

BEFORE MAY 30 WHEN BID GUARANTEES EXPIRE. GE HAS STRONG HOPES
SELLING THEIR GAS TURBINES WHILE INGERSOLL-RAND, DRESSER/CLARKE
(MEDIUM SIZE), AND COOPER BESSEMER AND SOLAR (SMALL SIZE) ARE BEST
HOPE FOR COMPRESSOR SALES.

3. ON CONTRACTING PORTION PROJECT, EMBASSY HAS CONFIRMED THAT
FIRMS INVITED TO BID ARE EXACTLY AS PROVIDED IN REF A. BID
DEADLINE IS JULY 14 AND BIDS ARE TO BE GUARANTEED FOR
60 DAYS. WE HAVE INDICATIONS THAT MOST, IF NOT ALL, US FIRMS
INVITED WILL MAKE OFFERS.
MAU

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Message Attributes

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